Introduced by Senator Corbett

February 18, 2010

An act to add *and repeal* Title 7.26 (commencing with Section 66720) to of the Government Code, relating to the Bay Area Post-Recovery Authority Act disaster recovery.

LEGISLATIVE COUNSEL'S DIGEST

SB 1205, as amended, Corbett. The Bay Area Post-Recovery San Francisco Bay Area Disaster Recovery Authority Act.

Existing law authorizes 2 or more public agencies, by agreement, to jointly exercise common powers. Existing law also establishes the San Francisco Bay Restoration Authority to raise and allocate resources for the restoration, enhancement, protection, and enjoyment of wetlands and wildlife habitats in the San Francisco Bay.

This bill would establish the *San Francisco* Bay Area-Post-Recovery *Disaster Recovery* Authority to create a long-term regional recovery plan, to be implemented following an earthquake in the bay area before and after an earthquake or other disaster occurs in the bay area, by cooperating with various stakeholders in the bay area, including, but not limited to, the cities, counties, special districts, schools, emergency operators, hospitals, members of the public, private businesses, and nongovernmental organizations.

The bill would impose specific duties on the Association of Bay Area Governments, thereby imposing a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state.

SB 1205 -2-

Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: no-yes. State-mandated local program: no-yes.

The people of the State of California do enact as follows:

SECTION 1. Title 7.26 (commencing with Section 66720) is added to the Government Code, to read:

TITLE 7.26. BAY AREA POST-RECOVERY SAN FRANCISCO BAY AREA DISASTER RECOVERY AUTHORITY

Chapter 1. Findings and Declarations

- 66720. This title shall be known and may be cited as the Bay Area Post Recovery Authority.
- 66721. The Legislature hereby finds and declares all of the following:
- (a) The San Francisco Bay area will experience a major earthquake in its future. When this happens, government agencies will be required to immediately activate emergency response plans and scramble to restore order, alleviate human suffering, and protect property. Short-term recovery plans will be required to set up shelter locations, remove debris, and tag buildings. Long-term plans will also be required to address recovery in the region. manmade or natural disaster such as an earthquake in its future.
- (b) Natural disasters, such as earthquakes, affect an entire region. Few models exist for long-term regional recovery from a catastrophic earthquake.
- (b) Disasters not properly managed and planned for can easily escalate into catastrophies that will have major lasting consequences on the region.
- (c) The nine counties surrounding the San Francisco Bay constitute a region of vital importance to the national economy and future business innovation. The bay area leads the nation in innovation, research, and new technology.

-3- SB 1205

(d) The bay area is crisscrossed by many active faults. Several of these faults, including the San Andreas and Hayward faults, are capable of causing a major disaster in the region. The United States Geological Survey predicts that there is a 67 percent chance that a major earthquake will strike the bay area in the next 30 years. The Hayward fault, which runs through the dense urban cities of Fremont, Oakland, and Berkeley, experiences a major earthquake approximately every 140 years. The last earthquake on this fault was in 1868, making the Hayward fault the most dangerous in the bay area today.

- (e) While the bay area has appropriately focused on risk mitigation strategies and emergency response preparation, there has been little attention given to the lengthy post-90 day, long-term recovery period that will follow a major disaster such as an earthquake. This is the period that will make or break the region's economic future.
- (f) The bay area is making great strides to reduce the impacts of a major earthquake, but the scale of the problem is huge and critical components of the system are still vulnerable. A great amount of work still needs to be done to prepare the region. Transportation, water, and housing are key systems that must be robust in order to facilitate a speedy recovery for the region.
- (g) Recent disasters have repeatedly shown that the weeks and months following a disaster require that all city and county departments, special jurisdictions, and the state and federal government work together toward disaster recovery. Similarly, while hazard mitigation is essential to minimize the damage of disasters to communities, having a comprehensive plan for the long-term process of recovery is often overlooked and is the key to preventing disasters from becoming catastrophes.
- (h) Past disasters clearly show the consequences of not preparing for recovery. In 2010, the San Francisco Bay Bridge has still not been replaced despite the known hazard since the 1989 Loma Prieta earthquake, and the City of Atascadero is just beginning to replace its city hall that was damaged in the 2003 San Simeon earthquake because of difficulty it has faced with the Federal Emergency Management Agency process. New Orleans is still struggling to rebuild its communities more than five years after Hurricane Katrina. In Kobe, Japan, where a massive

SB 1205 —4—

earthquake devastated the region in 1995, thousands of people still live in temporary housing nearly 15 years after the earthquake.

(i) Disasters such as earthquakes will affect the entire region, not just individual cities and counties. The regional nature of an earthquake demands a regional long-term recovery strategy, but few models exist from other regions.

(e)

- (j) With 101 cities, nine counties, and innumerable more than 400 special districts, the bay area is poorly structured to undertake the regional-scale challenge of the long-term recovery phase. However, with-advanced advance planning and organization, the bay area can be prepared for long-term-recovery with recovery. This would entail having an understanding of the issues that will confront the region, the goals—to—be pursued, and the decisionmaking protocols that—will need to be followed it will follow.
- (k) When the San Francisco Bay area experiences a major disaster such as an earthquake in the future, government agencies will immediately activate emergency response plans and scramble to restore order, alleviate human suffering, and protect property. In the days after a disaster, short-term recovery plans will be implemented to set up shelter locations, remove debris, and tag buildings. But what happens later, in the weeks, months, and years after immediate life and safety needs have been addressed, will determine whether the region recovers and persists as a vibrant community and driver of the nation's prosperity, or whether the disaster escalates into a catastrophe and the region suffers long-term depopulation with businesses and residents permanently relocating to more stable communities.
- (1) A major earthquake on the Hayward fault, for example, is predicted to leave 156,000 housing units uninhabitable and 356,600 people displaced. In contrast to Hurricane Katrina, where 40 percent of homeowners were insured, less than 10 percent of bay area homeowners have earthquake insurance. Because of high deductibles, it is anticipated that only 4.4 percent of losses will be covered by insurance. The likelihood that these homeowners will have the resources to rebuild their homes in a timely manner is low and rebuilding will depend on the ability of homeowners to attract private investment to their properties. At a time when rental vacancy rates are already very low and homeowners are struggling

5 SB 1205

to hold on to their properties, there is little incentive or ability for uninsured homeowners to invest in the rebuilding of their properties.

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- (m) Retrofitting homes is an effective method to reducing housing losses in a disaster, but relatively few homes have been retrofitted and programs and funds to encourage more widespread retrofit are scarce. Recovery of the business economy depends on the ability of workers to return to work, and workers without homes are unlikely to be able to do so.
- (n) A regional long-term recovery plan cannot simply be an operations plan for governments to follow. All stakeholders, from local governments, lifelines operators, schools, private-sector businesses, members of the public, the health and hospital community, and nongovernmental organizations, must reach consensus on the priorities for long-term disaster recovery, including serving vulnerable communities that may have the least access to resources, are more reliant upon government services, and most susceptible to the impacts of delays in government action post disaster.
- (o) Key functional areas of recovery that must be understood include lifelines, housing replacement, business recovery, government facilities and services, transportation, health and education, vulnerable communities, and land use change.
- (p) Public-private partnerships are key to this process. Private businesses must be confident that recovery will happen quickly in order to continue to invest in the region. The planning process must address their needs and concerns. The roles of private business in the long-term recovery plan will be identified together with local governments.
- (q) The Association of Bay Area Governments (ABAG) is a unique regional entity, well suited to lead this effort. ABAG was formed as a Council of Governments by the 101 cities and nine counties of the bay area to address social, environmental, and economic issues that transcend local borders. The mission of ABAG is to facilitate and strengthen cooperation and coordination among local governments.
- (r) ABAG has a long history of planning for disasters and has been a national leader among planning agencies in developing and continuing an earthquake and hazards planning program. In the past this program has coordinated with all of its member cities

SB 1205 -6-

and counties, as well as special districts to develop a Federal Emergency Management Agency approved multijurisdiction local hazard mitigation plan with regional mitigation strategies agreed upon by all the participating jurisdictions.

- (s) The San Francisco Bay area needs to develop regional mechanisms to generate and allocate additional resources to address threats of natural hazards and to secure opportunities for the improvement of the long-term disaster recovery capacity of the San Francisco Bay area, which will promote sustainable redevelopment and create a more disaster-resistant region.
- (t) It is in the public interest to create the San Francisco Bay Area Disaster Recovery Authority as a regional entity to generate and allocate resources for development of long-term disaster recovery plans, protocols, and mitigation projects for the San Francisco Bay area. The authority will endeavor to provide its members with shared knowledge and familiarity of the issues necessary to tackle critical tasks of prioritizing recovery activities. sharing resources, and interfacing with a vast array of local entities and stakeholders as well as state and federal agencies. The authority will sponsor and review local actions to improve preparation for recovery, including guidelines for member cities, counties, and agencies to align finance department preparation, building ordinances, emergency housing strategies, mutual aid, and a variety of additional tasks, along with information gathering, plan consolidation, application for resources, and policy discussion.

Chapter 2. Definitions

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- 66722. Unless the context otherwise requires, the following definitions govern the construction of this title:
 - (a) "Authority" means the Bay Area Post-Recovery Authority.
- (b) "Bay area" means a city or county, including the City and County of San Francisco, or a special district within the geographical boundary that touches the San Francisco Bay.
 - (a) "ABAG" means the Association of Bay Area Governments.
- (b) "Administrative committee" means the Bay Area Disaster Recovery Administrative Committee convened by the governing board of the San Francisco Bay Area Disaster Recovery Authority pursuant to Section 66724.5.

7 SB 1205

(c) "Authority" means the San Francisco Bay Area Disaster Recovery Authority established as a regional entity pursuant to Section 66723.

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- (d) "Board" means the governing board of the San Francisco Bay Area Disaster Recovery Authority.
- (e) "Elected official" means an elected member of a city council or an elected member of a county board of supervisors.
- (f) "Member" means a person appointed as a member of the governing board of the San Francisco Bay Area Disaster Recovery Authority.
- (g) "San Francisco Bay area" or "bay area" means the area that includes the Counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma.

CHAPTER 3. BAY AREA POST RECOVERY AUTHORITY

Chapter 3. San Francisco bay Area Disaster Recovery Authority

- 66723. (a) The Bay Area Post-Recovery Authority is hereby established as a regional entity with jurisdiction extending throughout the San Francisco Bay area.
- (b) The authority's purpose is to create a long-term regional recovery plan, to be implemented following an earthquake in the bay area, by cooperating with various stakeholders in the bay area, including, but not limited to, the cities, counties, special districts, schools, emergency operators, hospitals, members of the public, private businesses, and nongovernmental organizations.
- 66723. (a) The San Francisco Bay Area Disaster Recovery Authority is hereby established as a regional entity with jurisdiction extending throughout the San Francisco Bay area.
- (b) The authority shall create a long-term regional recovery plan, to be implemented before and after an earthquake or other disaster occurs in the bay area, by cooperating with various stakeholders in the bay area, including, but not limited to, the cities, counties, special districts, school districts, emergency operators, hospitals, members of the public, private business, and nongovernmental organizations.

SB 1205 —8—

(c) The jurisdiction of the authority is not subject to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Division 3 (commencing with Section 56000) of Title 5).

66723.5. It is the intent of the Legislature that the authority complement existing efforts by cities, counties, districts, and other local, regional, and state entities, related to addressing the goals described in this title.

Chapter 4. Governing Body

- 66724. (a) The authority shall be governed by a board composed of voting members, as follows:
 - (1) All members of the ABAG Regional Planning Committee.
- (2) ABAG shall appoint one member representing each of the following:
- (A) Not less than four members representing lifeline infrastructure districts such as water and wastewater, power and energy, telecommunications, and transit.
 - (B) A school district or county board of education.
 - (C) A nonprofit service delivery agency.
- (D) A member of the Bay Area Super-Urban Area Security Initiative.
- (E) Not less than four members representing private sector business, economics, and planning organizations.
- (b) Each member shall serve at the pleasure of the appointing authority.
- (c) A vacancy shall be filled by the appointing agency within 90 days from the date on which the vacancy occurs.
- 66724.1. The members of the board are subject to the Political Reform Act of 1974 (Title 9 (commencing with Section 81000)).
- 66724.2. Each member shall exercise his or her independent judgment on behalf of the interests of the residents, the property owners, and the public as a whole in furthering the intent and purposes of this title.
- 66724.3. The board shall elect from its own members a chair and a vice chair who shall preside in the absence of the chair.
- 66724.4. (a) The time and place of the first meeting of the board shall be at a time and place within the San Francisco Bay area fixed by the chair of the board.

-9- SB 1205

(b) After the first meeting described in subdivision (a), the board shall hold meetings at times and places determined by the board.

- (c) Meetings of the board are subject to the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5).
- 66724.5. (a) Not later than six months after the date of the board's first meeting described in subdivision (a) of Section 66723.4, the board shall convene a Bay Area Disaster Recovery Administrative Committee to assist and advise the board in carrying out the functions of the board. The administrative committee shall meet on a regular basis.
- (b) The membership of the administrative committee shall be determined by the authority based upon criteria that provide a broad representation of community and agency interests and geographical diversity within the authority's jurisdiction over the long-term disaster recovery in the San Francisco Bay area. The membership of the administrative committee shall be appointed by the authority.
- 66724.6. (a) The board is the legislative body of the authority and, consistent with this title, shall establish policies for the operation of the authority.
- (b) The board may act either by ordinance or resolution in order to regulate the authority and to implement this title.
- (c) A majority of the voting members of the board shall constitute a quorum for the purpose of transacting any business of the authority. A recorded majority vote of the total voting membership of the board is required on each action.

Chapter 5. Powers and Duties

Article 1. General Provisions

66725. The authority may do all of the following:

- (a) Apply for and receive grants from federal and state agencies.
- (b) Solicit and accept gifts, fees, grants, and allocations from public and private entities.
 - (c) Receive and manage a dedicated revenue source.
- (d) Deposit or invest moneys of the authority in banks or financial institutions in the state in accordance with state law.

SB 1205 — 10 —

(e) Sue and be sued, except as otherwise provided by law, in all actions and proceedings, in all courts and tribunals of competent jurisdiction.

- (f) Engage counsel and other professional services.
- (g) Enter into and perform all necessary contracts.
- (h) Enter into joint powers agreements pursuant to the Joint Exercise of Powers Act (Chapter 5 (commencing with Section 6500) of Division 7 of Title 1).
- (i) Use interim or temporary staff provided by appropriate state agencies or the Association of Bay Area Governments. A person who performs duties as interim or temporary staff shall not be considered an employee of the authority.
- 66725.1. The authority shall not acquire or own real property. 66725.2. All records prepared, owned, used, or retained by the authority are public records for purposes of the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code).

Article 2. Grant Program

66725.5. (a) The authority may raise funds and award grants to public and private entities, including, but not limited to, owners or operators of public and private property within the San Francisco Bay area, for the purposes of maintaining and enhancing the region's resiliency following a disaster by reducing the potential loss of life, property damage, or environmental degradation, and accelerating economic recovery from those disasters.

- (b) In reviewing and assessing projects, the authority shall solicit input from the administrative committee convened pursuant to Section 66724.5. The authority shall give priority to projects that do either of the following:
- (1) To the greatest extent possible, address the highest priority mitigation strategies identified in the most recent multijurisdictional Local Hazard Mitigation Plan led by ABAG and adopted by the Federal Emergency Management Agency.
 - (2) Address additional needs identified in the recovery plan.
- (c) Grants awarded pursuant to subdivision (a) may be used to support all phases of planning, construction, monitoring, operation,

-11- SB 1205

and maintenance for projects that are eligible pursuant to subdivision (b).

CHAPTER 6. FINANCIAL PROVISIONS

- 66726. (a) The board shall provide for regular audits of the authority's accounts and records and shall maintain accounting records and shall report accounting transactions in accordance with generally accepted accounting principles adopted by the Government Accounting Standards Board of the Financial Accounting Foundation for both public reporting purposes and for reporting of activities to the Controller.
- (b) The board shall provide for annual financial reports. The board shall make copies of the annual financial reports available to the public.
- 66726.5. The authority shall be funded through gifts, donations, grants, state or local bonds, assessments, other appropriate funding sources, and other types of financial assistance from public and private sources.

CHAPTER 7. REPEAL

- 66727. This title shall remain in effect only until January 1, 2030, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2030, deletes or extends that date.
- SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.